



Overview and Scrutiny Committee Agenda

Wyre Borough Council
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Overview and Scrutiny Committee meeting on Monday, 22 April 2024 at 6.00 pm in the Committee Room 2 - Civic Centre

1. Apologies for absence

2. Declarations of interest

To receive any declarations of interest from any councillor on any item on this agenda.

3. Confirmation of minutes

(Pages 3 - 12)

To approve as a correct record the Minutes of the meetings of the Overview and Scrutiny Committee held on Thursday 26 February 2024 and Wednesday 6 March 2024.

**4. Scrutiny of the Treasury Management Strategy and Policies -
Questions and Answers**

(Pages 13 - 22)

The Director of Finance and Governance (S151 Officer), Clare James, has submitted a question and answer pack as part of required Treasury Management training for the Overview and Scrutiny Committee.

Members are asked to review the submitted documents and Clare James will attend the meeting to answer further questions from members.

**5. Overview and Scrutiny Work Programme 2024/25 - update and
planning report**

(Pages 23 - 34)

The Director of Finance and Governance, Clare James, has submitted a report updating the committee about the delivery of the Overview and Scrutiny Work Programme 2024/25.

Marianne Unwin, the Democratic Services and Scrutiny Manager

(Temporary) will introduce the report and respond to questions and comments from councillors.



Overview and Scrutiny Committee Minutes

The minutes of the Overview and Scrutiny Committee meeting of Wyre Borough Council held on Monday, 26 February 2024 at the Committee Room 2 - Civic Centre.

Overview and Scrutiny Committee members present:

Councillors Cartridge, Baxter, Amos, Sir R Atkins, Blair, Bolton, Collinson, Fail, Higgs, Martin and A Walker

Absent- apologies received:

Councillor Beavers

Absent- apologies not received

None.

Other councillors present:

Councillor Berry

Officers present:

Daphne Courtenage, Democratic Services Officer
Neil Greenwood, Head of Environmental Health and Community Safety

Officers absent- apologies received:

None.

No members of the public or press attended the meeting.

37 Declarations of interest

None.

38 Confirmation of minutes

The minutes of the meeting of the Overview and Scrutiny Committee held on 15 January 2024 were **confirmed** as a correct record by those who were in attendance.

39 Wyre Community Safety Partnership - annual scrutiny review

Councillor Roger Berry, the Neighbourhood Services and Community Safety Portfolio Holder, and Neil Greenwood, Head of Environmental Health and

Community Safety, attended the meeting to report on the activities of the Wyre Community Safety Partnership, as part of the committee's statutory requirements.

Councillor Berry introduced the report to members. He explained that the report set out the context of what had been undertaken to address the five priorities of the council: antisocial behaviour (ASB); violence against the person; domestic abuse; substance abuse; and road safety. He said he was pleased that there had been an overall improvement in the figures, which reflected the considerable amount of work and effort put in over the last 12 months, particularly with two major initiatives launched by the police – Operation Centurion and Clear, Hold, Build. The report also gave details of other activities and events undertaken with partners, including events on e-scooters at Asda, Fleetwood and "The Crucial Crew", an event with 400 Year 6 pupils across the borough discussing ASB, road safety and water safety.

There were still areas of concern, including violence against the person, causing increasing injury figures. This was mostly connected to alcohol consumption, and some drug-related incidents, which also gave emphasis to the importance of tackling the issue of drugs. Another concern was the continuing high levels of domestic abuse, with over 1,300 referrals and an increase in reporting of over 20%. Staff at GP surgeries were being encouraged to refer patients should they have concerns, and partners were working with schools on appropriate behaviour. The Portfolio Holder noted that it was sad to see this still increasing, but there was a need to understand the pressures that residents were facing that impacted these figures.

Members raised the following questions:

- The role of the council in tackling ASB and drug-related incidents
- The difference between theft and burglary, and how these figures are reported by the police
- The relationship between the council, police and other partners
- Concerns around the lack of action from police on certain matters
- Vehicle offences and the rise in reported figures
- Working proactively and identifying trends, particularly during specific times of the year
- Offences relating to cybercrime

The Portfolio Holder and Head of Environmental Health and Community Safety responded to questions raised by members. Councillor Berry explained that the council did have a responsibility to address incidents of ASB, however advise would be to report this to both the council and the police. In terms of drug related incidents, this was best addressed to the police. It was acknowledged that confidence in the police had been impacted due to complaints on the reporting process, and the wait time for action to be taken. This had been identified and the police were taking steps to address this. In response to a question on theft from supermarkets, Neil explained to members that the police took steps to target theft from supermarkets and had officers working closely with them. Ultimately however, it was the responsibility of the business to take steps to address this. An initiative called Shopwatch had been set up, which would take place initially in Fleetwood

before being rolled out.

In response to a question on responsibility, Neil explained that the council helped to coordinate youth and adult ASB multiagency groups, which were also location based. The police led on these, but the council could take action on issues such as inter-neighbour disputes. It was best to have a place where all partner agencies could come together and work together to address these issues.

Councillor Blair informed members of the ability to report incidents anonymously to Crimestoppers; the more incidents were reported, the more attention a specific area would receive. This could be of help to residents who may be fearful of reporting incidents, specifically drug related incidents.

In response to queries around vehicle offences, Councillor Berry and Neil explained that the numbers may reflect a variety of offences which came under the umbrella term 'vehicle offences'. The rise in theft of catalytic converters over a period of a few months in 2023 may have contributed to this rise. It was explained that the police are targeting more specific areas when trends are identified.

Members were informed of a priorities meeting, led by the police, that the Head of Environmental Health and Community Safety was invited to. The meeting looked at identifying trends on a monthly basis and any trends identified would then become a priority for the police.

The council did also act proactively and in response to trends. Neil informed members of an initiative held in 2023; the council organised a marshal service for the taxi trade in Poulton with the aim of reducing alcohol related incidents in the taxi rank queue, after identifying this area as a concern.

40 Review of the Tackling Youth Anti-Social Behaviour in Wyre Task Group - one year on

Councillor Roger Berry, the Neighbourhood Services and Community Safety Portfolio Holder, and Neil Greenwood, Head of Environmental Health and Community Safety, attended the meeting to report on the activities of the council in relation to the recommendations of the Youth Anti-Social Behaviour in Wyre Task Group, a year on.

Councillor Berry introduced the report. He explained to members that figures showed a decrease in youth ASB. One of the recommendations had been to organise and facilitate an event called The Wyre Beat, which was held in the summer of 2023, with the aim of engaging secondary school pupils in ASB through drama. The event was successful with the three secondary schools involved. The council was looking at potentially repeating this event in the future.

The council was engaging in a lot of work relating to youth ASB, focussing on alcohol-related incidents.

Members raised the following questions:

- An update on the guidance document provided by Garstang Town Council

The Head of Environmental Health and Community Safety and the Democratic Services Officer informed members that they had received the guidance document from the town council, and were in the process of circulating this amongst the town and parish councils in the borough.

The Chair thanked Councillor Berry and Neil Greenwood for attending the meeting and for their work in this area.

41 Business Plan 2023/24, Quarterly Performance Statement (Quarter 3: October - December)

The Corporate Director Communities, Marianne Hesketh, had submitted a report which informed members of the quarterly progress on the council's business plan projects and measures for 2023/24.

The Democratic Services Officer introduced the report. She explained to members that she would take questions and comments and circulate responses to members.

Members asked for the following questions to be circulated to officers:

- Paragraph 3.2.2 of the report, "Proactive actions to reduce violence against the person and Anti-Social Behaviour (target 5% reduction each quarter" –did the 13% increase in reporting of domestic abuse conflict with the figures submitted in agenda item 4?
- Page 31 of the agenda pack, PGR4 "Explore external funding and investment opportunities for our key council assets including theatres, markets and leisure facilities" – Concerns relating to the works at Fleetwood Market, whose overall responsibility it was to deal with the issues being experienced and the delays to the works. For the future, it would be helpful to ensure a designated officer was in post to lead on this.
- Follow up on concerns relating to Fleetwood Market, did the council have a retention against the current contractor, and was there a process in place in case the council had to employ a different contractor to undertake the works?
- Further concerns on Fleetwood Market, was there a designated officer from the council taking the lead on overseeing the contracted works?
- Retention in terms of occupancy rates on Lord Street, Fleetwood; this was consistently identified as not meeting targets, what steps were being taken by the council to address this?
- Queries around the rating system and related colour coding on the reports

Following the meeting, questions were circulated to officers and responses received on the above questions and presented to the committee via email.

42 Citizens Advice Lancashire West Task Group - final report

The Chair of the Citizens Advice Lancashire West Task Group, Councillor

Peter Cartridge, introduced the report to members.

He informed members of the aims of the task group and read out the four recommendations to the committee.

Councillors asked how the proposed grant contribution payments to Citizens Advice would fit into the budget, considering it had not been a part of the Medium Term Financial Plan. Members also raised questions over the potential for in-house provision and issues relating to this, and ensuring that services were extended across the borough.

The Democratic Services Officer reassured members that discussions around the grant contribution payments would be a matter for officers and Cabinet.

Following discussions, the committee agreed for the final report to be submitted to Cabinet at their meeting on the 20 March 2024 for approval.

43 Review of written responses to questions submitted to the Lancashire and South Cumbria Integrated Care Board

Following the meeting of the committee on 15 January 2024, representatives of the Lancashire and South Cumbria Integrated Care Board (ICB) had submitted written responses to questions circulated by the committee.

Members reviewed the responses and raised concerns over continuing issues in regards to dental care.

Members agreed to follow up on the responses at a future meeting.

44 Overview and Scrutiny Work Programme 2023/24 – update report

The Corporate Director Resources (S151 Officer), Clare James, submitted an update report on the Overview and Scrutiny Work Programme 2023/24.

The Democratic Services Officer, Daphne Courtenage, introduced the report.

She updated members on the Work Programme Workshop, which had taken place on Thursday 15 February. She thanked those members who attended, and explained to members that officers would review arrangements for next year's workshop to allow for more members to attend.

Overall, three key areas were identified as priorities for 2024/25. These were:

- Communications
- Fly-tipping
- Economic Development & Visitor Economy Strategy

There were also a number of topics that had been identified as requiring updates to be brought before the committee. The next meeting, scheduled for 22 April 2024, would have the draft work programme for 2024/25 be presented to the committee for their review and comments.

The meeting started at 6.00 pm and finished at 6.47 pm.

Date of Publication: XXX



Overview and Scrutiny Committee Minutes

The minutes of the Overview and Scrutiny Committee meeting of Wyre Borough Council held on Wednesday, 6 March 2024 at the Council Chamber - Civic Centre, Poulton-le-Fylde.

Overview and Scrutiny Committee members present:

Councillors Cartridge, Baxter, Amos, Sir R Atkins, Bolton, Collinson, Fail, Martin and A Walker

Absent- apologies received:

Councillors Beavers and Higgs

Absent- apologies not received

Councillor Blair

Other councillors present:

Councillors Bowen, McKay, Wells, Lady D Atkins, Le Marinel and Rendell

Officers present:

Clare James, Corporate Director Resources and Section 151 Officer
Marianne Unwin, Democratic Services and Scrutiny Manager (Temporary)
Daphne Courtenage, Democratic Services Officer
Joanne Billington, Head of Governance and Business Support
Jane Collier, Human Resources Manager and Deputy Monitoring Officer
Mary Grimshaw, Legal Services Manager and Monitoring Officer
Marianne Hesketh, Corporate Director Communities
Jane Warne, Communications and Visitor Economy Manager

Officers absent- apologies received:

None.

Four members of the public attended the meeting.

45 Declarations of interest

None.

46 Call in of the decision made by Cabinet, titled "Update on the future operation of the Council's theatres - Marine Hall and Thornton Little Theatre"

The Chair opened the meeting and welcomed those in attendance. He informed everyone of the housekeeping rules and the procedure for the meeting.

The Chair read out the details of the call-in of the Cabinet decision being presented at the meeting, titled “Update on the future operation of the Council’s theatres – Marine Hall and Thornton Little Theatre” and Cabinet’s agreed recommendations.

Councillor Victoria Wells, the nominated spokesperson for the call-in, presented the reasons for the call-in to the committee and several suggested actions for the committee to consider, as listed in the call-in request form. Overall, concerns were raised about the future operations of the theatres and the recommendations agreed by Cabinet on the 14 February 2024. The concerns raised were:

- Flawed methodology and validity of the consultation
- Options and timescales to outsource
- Insufficient data regarding the theatres’ performance and remedial actions taken
- Loss of potential future revenue streams
- Opportunities for scrutiny
- Concerns for staff
- Lack of strategic planning

She summarised by requesting the committee consider the call-in and recommend that the report and recommendations be reworked.

The Chair then invited the Portfolio Holders, Councillors Lesley McKay and Lynne Bowen, to respond to the call-in.

Councillor McKay, the Resources Portfolio Holder, responded to the concerns raised in the call-in presentation. She stressed that the decision was in regards to a tender exercise and no decision had at this point been made in regards to the future operations of the theatres, and it was desirable to find a sustainable solution for them.

Councillor Bowen, the Leisure, Health and Community Engagement Portfolio Holder, agreed with the points made, reiterating that options were being considered at this stage in order to ensure a healthy future for the theatres.

Following representations from the spokesperson and Portfolio Holders, the Chair asked for questions from the committee to the three speakers.

Members raised the following questions/points:

- The wording of the consultation questions, particularly regarding leading questions
- The involvement of Human Resources (HR) in conversations with staff around potential job uncertainty
- Could third sector organisations submit a tender application?

- Responsibility of the council regarding the provision of the theatres service and what might happen should this tender exercise fail
- What kind of outsourcing was being presented and any potential outsourcing models submitted
- Whether the physical buildings would be included in any potential outsourcing
- Protecting access for community groups who currently use Marine Hall
- Concerns regarding performance figures
- Questions regarding potential reduced subsidies following Covid-19
- Whether staff were hitting targets in 2023/24
- Potential profits and who may be the beneficiary
- Whether there had been any complaints regarding previous outsourcing of council assets
- What consultations had taken place with staff regarding potential moves to the private sector and impacts on staff pensions
- The final decision-making process if a future report were presented at Full Council
- Theatres marketing budget over the last five years

Both Portfolio Holders as well as officers in attendance responded to the questions and concerns raised by members.

It was reiterated that the decision made by Cabinet was to start a tender exercise and no decisions had been made thus far. Members were reassured that there had been numerous informal sessions with staff, including with the consultants; however staff at Marine Hall were not being affected and the one member of staff at Thornton Little Theatre (TLT) that was affected had been involved in discussions to date.

It was said that there were limited skills in-house to effectively manage the theatres to their best potential, given that we are a local authority, and both the Portfolio Holders emphasised to members that this decision was to explore potential options to safeguard the theatres. They were hoping for a commercial partner, but anyone could submit an application including those from the third sector. Many of the questions raised by members would be addressed at any future contractual stage and it was too early to speculate. It was indicated that there was an expectation that those community groups currently using Marine Hall would still be able to do so, as was the case under the TLT process.

A clarification was given by officers in relation to the financial performance of the theatres and the deteriorating position based on 2022/23 outturn compared to 2023/24 forecast. It was also clarified that although the theatres may be performing in line with the budget expectations, these had been rebased and lowered to be more realistic. Overall the operating deficit was forecast to be worse than in previous years and members would have to go back to 2013/14 to find the best performing financial year with a circa £200,000 operating deficit at Marine Hall.

The Chair then asked each of the speakers to make any points of clarification. Councillor Wells raised a point of clarification regarding whether the decision

should be reworded as a commissioning exercise rather than a procurement exercise.

Following further discussion by the committee, it was proposed by Councillor Sir R Atkins, and seconded by Councillor Baxter, that the call-in not be supported.

Members of the committee voted on the proposal not to support the call in, which was carried at six votes to three. It was therefore agreed that the call-in was not supported.

The meeting started at 6.00 pm and finished at 7.11 pm.

Date of Publication: 11 March 2024

Scrutiny of the Treasury Management Strategy and Policies – Questions and Answers (Overview and Scrutiny Committee 22 April 2024)

The following questions and answers will help to demonstrate that the Council's Treasury Management Strategy and Policies were subject to robust member scrutiny and demonstrate compliance with the CIPFA Code of Practice for Treasury Management.

First some questions on the day-to-day process.

Question No. 1

On a daily basis, how do you work out whether we need to borrow money or have spare cash available that we can lend out?

Cash flow projections are prepared annually and daily. The annual cash flow projections are prepared from the previous years' cash flow records, adjusted for known changes in levels of income and expenditure and also changes in payments and receipts dates. These details are supplemented on an ongoing basis by information received on new or revised amounts to be paid or received as and when they are known and the council downloads data from its bank on a daily basis.

Question No. 2

If I have understood this correctly, in essence you are estimating what you expect the end of day position to be at the bank when all the pending transactions, including payments to suppliers and the clearance of cheques or direct debits into our account, have been processed – what happens therefore if you get it wrong?

Of course, from time-to-time we receive amounts earlier or later than expected, amounts we weren't expecting or where values differ from those reported to us. This can be for a number of reasons e.g. new burdens funding, payments made to us in error (for instance intended for Wyre Forest District Council) or unexpected announcements at short notice (e.g. response to the Cost of Living crisis related).

With the introduction of a group aggregate auto transfer facility ('roll-up') in February 2018, any funds remaining in the council's bank accounts at close of business are automatically cleared into the interest bearing Liquidity account thus stopping any under investment of funds. There will be an automatic transfer from the interest bearing account (assuming adequate funds available) crediting the group control account with the required balance from the interest bearing account. This avoids an overdrawn balance and the subsequent charges.

From 1 September 2011, and following a cost/benefit analysis, we took a decision to cease the formal overdraft facility. The formal overdraft facility used to cost the council £2,000 plus 1% over the base rate for overdrawn net balances over £500,000. The new arrangement now incurs charges at 4% over the current base rate for net overdrawn balances with no annual arrangement fee. There have been no occasions since the introduction of the new group aggregate transfer facility when the council's net bank account position was overdrawn.

Question No. 3

Is there one person who does the day-to-day dealing and what happens if they are away on leave?

Within the Treasury Management Policy Statement and Practices that is approved annually by Cabinet/Council in February/March there is a list of all the different functions and a table showing which officers can do what. For example, the day-to-day dealing can be done by, either of the three Finance Business Partners or either of three Assistant Accountants. Authorisation of short-term borrowing or investing falls to the Corporate Director Resources, Assistant Director of Finance, Revenue and Benefits, the Assistant Director of Governance and Legal (Monitoring Officer) or the Principal Accountant.

Question No. 4

So what do you have to do if you want to invest some money?

The Treasury Management Policy Statement and Practices states that the council applies the creditworthiness service provided by Link Asset Services who are our Treasury Management Consultants. This service employs a sophisticated modelling approach combining credit ratings, credit watches and credit outlooks (see Appendix 1) in a weighted scoring system which is then combined with an overlay of CDS (Credit Default Swaps) spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. They provide us with this weekly credit list and supplement it with emails for any changes to counterparty credit ratings. Lending is only made to counterparties within the council defined colour bands according to the colour coded creditworthiness list.

In addition, the Practices say that the council will also look at other market information in order to establish a full investment strategy; such as up to date market information, which includes Sovereign and individual counterparty ratings, together with a wide range of relevant economic data. In reality, other than daily news headlines/reports, no further challenges are made to the treasury advisors guidance.

If we are using the council's bank, the NatWest, for investments in the Liquidity account the balance is left in the current account and will be automatically transferred into the Liquidity account at the close of business. If we are using the Money Market Funds then this is entered on to the FisGlobal System and an email is sent prompting the authorising officer to agree the transfer. All transactions on the FisGlobal System must be authorised before, either 1pm, 1.30pm or 2pm dependent on the fund, in order for them to be actioned that day.

If we are using Brokers we telephone to obtain the rate for the amount and length of time we want to invest. Should we wish to confirm the deal or give notice, if necessary, a bank transfer is made from the council's banks. If we are using Svenska Handelsbanken, Qatar National Bank or Santander again a bank transfer is made from the council's bank with the appropriate authorisation.

Question No. 5

What about if you need to borrow money temporarily – what happens then?

The Treasury Management Policy Statement and Practices clearly states that the council must access temporary loans through approved brokers on the London money market. The approved borrowing limit for short-term debt is £14.964m.

In essence, we telephone the brokers and ask them to find somebody who can lend us the amount we need and for the required term, for example, are we happy for the money to be called back at any time or do we want to fix it to a particular date. We aren't fussy about who lends us the money and the brokers currently charge commission at 1% of interest due. There is no commission charge for undertaking investment transactions via the brokers.

The last time we borrowed was in 2009/10.

Question No. 6

The BBC reported in January 2024 that Council borrowing amounts to almost £100 billion, or the equivalent of £1,455 per resident. What long-term borrowing does the council have?

Historically, the council entered into a small number of long-term loans to help fund the capital programme. As of September 2022, the following two remained:

Date	Loan ref.	Value (£)	Period (Years)	Rate (%)	Maturing
05/03/2008	494404	552,000	30	4.48	September 2037
05/03/2008	494405	1,000,000	50	4.41	September 2057
Total		1,552,000			

In October 2022, as a result of advantageous conditions during the Truss economic era, the council were able to repay the principal above at a discount, saving over £70,000 and ensuring that future interest payments of £1.9m would no longer be payable.

The council has remained debt free since then and so Wyre is not contributing to the £100 billion referred to by the BBC in their article earlier this year.

Question No. 7

So what guarantees do we have that somebody in the finance team isn't going to disappear to the Caribbean with a significant amount of the council's money – presumably there are sufficient checks and balances?

Firstly, I'm not good in places with extreme temperatures but on a more serious note, there are a number of controls in place including;

- ✓ All lending is only made to institutions on the Link Creditworthiness Weekly List.
- ✓ All loans raised and repayments made go directly to and from the institution's bank account.
- ✓ Authorisation limits are set for every institution.
- ✓ Brokers have a list of named officials authorised to perform loan transactions.
- ✓ There is adequate insurance cover for employees involved in loan management and accounting.
- ✓ The control totals for borrowing and lending are regularly reconciled with the ledger balance sheet codes by the Financial Services Team.

- ✓ There is a separation of duties in the Section between the processing and authorisation of transactions.
- ✓ The council's bank holds a list of council officials who are authorised signatories.
- ✓ No member of the Treasury Management team responsible for borrowing and lending is an authorised signatory.

A key aim of the Treasury Management Policy Statement is that the council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

And if you are still worried, then it is worth noting that the council has 'Fidelity' insurance cover with Zurich Municipal (ZM). This covers the loss of cash by fraud or dishonesty of employees. This cover is limited per transaction as follows:

Type	Limit of indemnity	Excess
Public liability	£25m	£10,000
Officials' indemnity	£5m	£10,000
Employers' liability	£30m	£10,000

Question No. 8

How do you know if you are doing a good job – what measures do you use to assess your performance?

We do an annual outturn report in July each year showing the overall position and activities for the previous year. The report includes the following issues, where relevant:

- ✓ total debt and investments at the beginning and end of the financial year and average interest rates;
- ✓ borrowing strategy for the year compared to actual strategy, including interest paid;
- ✓ investment strategy for the year compared to actual strategy, including interest received;
- ✓ explanations for variance between original strategies;
- ✓ debt rescheduling done in the year;
- ✓ actual borrowing and investment rates achieved through the year;
- ✓ the performance of in-house investment earnings will be measured against the SONIA rate (Sterling Overnight Index Average); and
- ✓ compliance with Prudential and Treasury Management Indicators.

We also complete a half-yearly Report on Treasury Management which is submitted to Council in the third quarter of the year which reviews the performance of the debt and investment portfolios. This report contains the same information as the annual report but only includes information for the first six months of the year.

Last year investments earned an average return of 1.83% against a benchmark SONIA 7-day average of 2.19%. The Bank of England base rate stated the year at 0.75% and gradually increased through the year to 4.25% by March 2023.

In the six months to 30 September 2023 investments have achieved an average return of 4.34% against a benchmark SONIA 7-day average of 4.71%. The average return achieved is distorted by the current account interest rate. If this is excluded the average return achieved is 4.75%.

And now just a few questions concerning the wider Treasury Management arrangements...

Question No. 9

I understand that we are with the NatWest bank and have been for some time – do we ever consider switching?

Whilst we have been with NatWest for over 30 years, banking services have traditionally been re-tendered or renegotiated every 3 years to ensure that the level of prices reflect efficiency savings achieved by the supplier and current pricing trends. The council re-tendered for Banking Services using the Government Framework in 2021. This resulted with our present providers NatWest being awarded the contract, which resulted in considerable savings for the Authority. The current contract expired at the end of March 2024 and a benchmarking exercise was undertaken with other Lancashire districts to ensure value for money is still being achieved.

Question No. 10

And whilst we are talking about the costs of treasury management – do we have other advisors that we use and how much do they cost?

Link Asset Services are engaged as the council's treasury advisor. The initial appointment was for one year and was considered to be value for money having sought other quotations. The service was benchmarked in 2023 and further benchmarking exercises will be conducted every three years to ensure value for money is maintained. The cost of the service is £8,250 per year. However, training is no longer available for staff and members within this price and they would charge around £2,000 for an hour's training session with Members, hence why I'm here tonight instead!

Question No. 11

I know you've mentioned the half-yearly and annual performance reports to Council but are there other reports that we need to produce to ensure compliance with the CIPFA Code of Practice for Treasury Management?

Yes, there are a number of reports that we are required to complete and take to Council on an annual basis. It is a requirement as well as being useful to review the Treasury Management Policy Statement and Treasury Management Practices each year. The specific requirements ask for the following:

- ✓ The Treasury Management Strategy Statement - sets out the specific expected treasury activities for the forthcoming financial year and is submitted to the Cabinet in February and then full Council in March. It involves determining the appropriate borrowing and investment decisions in the light of the anticipated movement in both fixed and shorter-term variable interest rates. For instance, the council may decide to postpone borrowing if fixed interest

rates are expected to fall, or borrow early if fixed interest rates are expected to rise. It covers a number of items including:

- Prudential and Treasury Indicators
 - current Treasury portfolio position
 - borrowing requirement
 - prospects for interest rates
 - borrowing strategy
 - policy on borrowing in advance of need
 - debt rescheduling (not applicable to Wyre anymore)
 - investment strategy
 - creditworthiness policy
 - policy on the use of external service providers
 - any extraordinary treasury issue
 - the MRP strategy
- ✓ The Annual Investment Strategy – is received at the same time as the Treasury Management Strategy Statement and sets out the following:
- The council's risk appetite in respect of security, liquidity and optimum performance
 - The definition of 'high credit quality' to determine what are specified investments as distinct from non- specified investments
 - Which specified and non-specified instruments the council will use
 - Whether they will be used by the in-house team, external managers or both (if applicable)
 - The council's policy on the use of credit ratings and other credit risk analysis techniques to determine creditworthy counterparties for its approved lending list
 - Which credit rating agencies the council will use
 - How the council will deal with changes in ratings, rating watches and rating outlooks
 - Limits for individual counterparties and group limits
 - Country limits
 - Cash balances
 - Interest rate outlook
 - Budgeted investment return
 - Use of a cash fund manager (if applicable)
 - Policy on the use of external service providers (if applicable)
- ✓ The Annual Minimum Revenue Provision Statement - is received at the same time as the Treasury Management Strategy Statement and sets out how the council will make revenue provision for repayment of its borrowing using the four options for so doing. Our adopted policy is that all expenditure reflected within the debt liability at 31 March 2008 will under delegated powers be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method (Asset Life Method).
- ✓ Policy on Prudential and Treasury Indicators – the limits are approved by Council before the beginning of each financial year and, in addition to being presented with the Revenue and Capital Estimates in March, are incorporated into the Annual Treasury Management Strategy.
- ✓ A Capital Strategy will be prepared each year for approval by Council in March. This is a recent requirement introduced in response to some of the more risky investments undertaken by local authorities in response to falling budgets. Ours will be fairly basic

compared to those authorities with significant external borrowing and complex loans and will evolve as new guidance is issued.

Question No. 12

I'm interested in what our advisors said about the prospects for interest rates?

Link Asset Services most recent forecasts indicate that the base rate would not rise from its position of 5.25%. Rates are expected to reduce from recent highs over the next 24 months. However, much is dependent on the current political issues both at home and abroad.

Question No. 13

And if we wanted to borrow to fund some of the capital works that are currently being assessed, what would the costs be?

If we borrowed £2m in February 2024 the interest rate is currently projected to be 5.64% (PWLB) and if we used the money to fund assets with lives of 25 years then the cost for principal and interest repayments would be £192,800pa.

The Prudential Code for Capital Finance aims to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. The Code sets out indicators that must be used and requires local authorities to set relevant limits and ratios. As the council is currently projecting a gap between expenditure and income of £4m in 2028/29 new borrowing is not considered to be affordable, prudent or sustainable.

Question No. 14

A question was asked at full Council recently about whether or not we have an ethical investment policy. The answer was no, but why is that?

We are allowed to consider environmental, social and corporate governance aspects in our Treasury Management activities. However, there is currently no ethics rating equivalent of the credit ratings we use to determine how ethical our investments are. Our Treasury Management consultants are of the view that it is impossible at the moment to follow £1 with confidence through the banking system and be assured that it won't end up financing unethical activity. Around the time of the Football World Cup when it was hosted in Qatar, the Guardian published an article on local authorities who invest with the Qatar National Bank (QNB) and Wyre was one of the ones listed, albeit at the lower end of the scale of investments. The advice we have had is that rather than shy away from investing in institutions such as QNB, we can try and use our influence to encourage positive changes.

And finally, are there any further questions?

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Colour Credit Rating Table

Organisation	Minimum credit criteria / colour band	Max. Amount per Institution	Max. maturity Period
Term deposits with UK Clearing Banks and UK Building Societies	Purple	£6m or **	Up to 2 years
	Blue	£6m or **	Up to 1 year*
	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days
Term deposits with Other Banks	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days
Certificates of Deposit with UK Clearing Banks and UK Building Societies	Purple	£6m or **	Up to 2 years
	Blue	£6m or **	Up to 1 year*
	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days
Term deposits with UK Clearing Banks and UK Building Societies	Purple	£6m or **	Up to 2 years
	Blue	£6m or **	Up to 1 year*
	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days
Term deposits with Other Banks	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days
Certificates of Deposit with UK Clearing Banks and UK Building Societies	Purple	£6m or **	Up to 2 years
	Blue	£6m or **	Up to 1 year*
	Orange	£6m or **	Up to 1 year
	Red	£6m or **	Up to 6 months
	Green	£6m or **	Up to 100 days

*Part Nationalised banks

**£6m or 20% of investment balance per individual counterparty or 25% per whole counterparty group whichever is higher.

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Report of:	Meeting	Date
Director of Finance and Governance (S151 Officer), Clare James	Overview and Scrutiny Committee	22 April 2024

Overview and Scrutiny Work Programme 2024/25 – Update and Planning report

1. Purpose of report

- 1.1 To update the Overview and Scrutiny Committee about the Overview and Scrutiny Work Programme 2024/25.

2. Council priorities

- 2.1 A well run, forward thinking council that puts customers first.

3. Recommendations

- 3.1 For members to note the report.
- 3.2 For members to consider and review the Overview and Scrutiny Call-in of Executive Decisions procedure rules.

4. Current and completed work

4.1 Citizens Advice Lancashire West (CALW) Task Group

The final report of the CALW task group was presented to Cabinet on 17 April 2024. The recommendations presented were:

- That Cabinet renew the agreement between the council and Citizens Advice Lancashire West for four years.
- That Cabinet considers increasing the grant contribution payment to Citizens Advice Lancashire West from £30,000 as per previous service agreement renewals (with free use of a number of Fleetwood Market units worth £18,000).
- That within an updated service level agreement, the use of the units at Fleetwood Market be added to formalise the arrangement.
- That the council and Citizens Advice Lancashire West consider re-starting the trial of the digital kiosks, particularly over Wyre, and for the £8,000 set aside for this in 2021 be released.

Democratic Services will provide a verbal update on the outcome following consideration by Cabinet.

4.2 Review of the Overview and Scrutiny Call-in of Executive Decisions procedure rules

The Chair of the Overview and Scrutiny Committee has requested that the committee consider the call-in procedure rules as per Part 4.05 of the Constitution. It is recommended that the committee reflect on the recent call-in meeting held on 6 March 2024 and the call-in procedure rules.

Members are requested to review the document and feedback comments to Democratic Services for further consideration.

5. Work Programme

5.1 Work Programme Workshop

The Overview and Scrutiny Committee attended a work programme workshop on Thursday 22 February 2024 to determine possible reviews for the next municipal year (2024/25).

Members, with support from non-committee members in attendance, agreed to prioritise the following review topics:

- Communications
- Fly-tipping
- Economic Development and Visit Economy Strategy

There were also a number of topics on which an update or briefing note were requested. These were:

- Council tax on mobile homes
- Waste and recycling, in particular recycling rates and preparations for food waste collection from 2026
- HMO licensing rates
- Empty homes in the borough
- Energy efficiency standards in housing
- Fleetwood Market

A reminder that all members are invited to make suggestions about potential review topics for inclusion in the Programme. Suggestions should be strategic in focus and linked to the achievement of the Council Plan. A special decision-making tool has been designed to help the committee and other members determine whether suggestions meet the minimum criteria and this can be found by [clicking here](#). Scrutiny is member-led and without suggestions from councillors about task group topics the Programme will not achieve its purpose. The Work Programme is reviewed at every meeting of the Overview and Scrutiny Committee.

5.2 The Overview and Scrutiny Work Programme for 2024/25 is attached at Appendix 1.

6. Alternative options considered and rejected

6.1 Not applicable to this report.

Financial, Legal and Climate Change implications	
Finance	None arising from this report.
Legal	None arising from this report.
Climate Change	None arising from this report.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
health and safety	x

risks/implications	✓ / x
asset management	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
Marianne Unwin	01253 887326	Marianne.Unwin@wyre.gov.uk	05/04/2024

List of background papers:		
name of document	date	where available for inspection

None.		
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List of appendices

Appendix 1 – Overview and Scrutiny Work Programme 2024/25
Appendix 2 - The Overview and Scrutiny Call-in of Executive Decisions procedure rules

Overview and Scrutiny Committee Work Programme 2024/25:

Committee Meetings		
2024		
Date	Theme	Agenda items
Monday 10 June at 6pm	Update and review	<ul style="list-style-type: none"> • Election of Chair for the municipal year 2024/25 • Election of Vice Chair for the municipal year 2024/25 • Council Plan 2023/24, Quarterly Performance Statement (Quarter 4: January – March) • Climate Change Sub-Committee annual review • LGA Ombudsman Annual letter • O&S Work Programme 2024/25 – update and planning <p>Invited attendees: Marianne Hesketh (Director of Communities), Portfolio Holder</p>
Monday 15 July at 6pm	Corporate theme	<ul style="list-style-type: none"> • Economic Development and Visitor Economy Strategy – update from officers • Communications – service monitoring • Assets register - update • Hillhouse Enterprise Zone - update • O&S Work Programme 2024/25 – update <p>Invited attendees: Marianne Hesketh (Director of Communities), Jane Warne (Communications and Visitor Economy Manager), Mark Fenton (Economic Development Manager), Assistant Director of Property and Development Projects, Councillor Peter le Marinel (Planning Policy and Economic Development Portfolio Holder), Councillor Lynne Bowen (Leisure, Health and Community Engagement Portfolio Holder)</p>
Monday 2 September at 6pm	Update and review	<ul style="list-style-type: none"> • Waste and Recycling – updates on recycling rates • Fly-tipping – service monitoring • Council Plan 2024/25, Quarterly Performance Statement (Quarter 1: April – June) • O&S Work Programme 2024/25 – update <p>Invited attendees: Mark Billington (Corporate Director Environment), Kathy Winstanley (Assistant Director of Environmental Services), Councillor Simon Bridge (Street Scene, Parks and Open Spaces Portfolio Holder)</p>
Monday 14 October at 6pm	Partnership work	<ul style="list-style-type: none"> • Lancashire and South Cumbria Integrated Care Board

Committee Meetings		
		<ul style="list-style-type: none"> O&S Work Programme 2024/25 – update <p>Invited attendees:</p>
Monday 18 November at 6pm	Finance	<ul style="list-style-type: none"> Fees and Charges - draft Medium term financial plan Cost benchmarking results O&S Work Programme 2024/25 – update <p>Invited attendees: Councillor Lesley McKay (Resources Portfolio Holder) and Clare James (Director of Finance and Governance, Section 151 Officer).</p>
2025		
Monday 13 January at 6pm	Corporate theme	<ul style="list-style-type: none"> Housing – updates on council tax on mobile homes, HMO licence rates, energy efficiency standards monitoring O&S Work Programme 2024/25 – update <p>Invited attendees: Marianne Hesketh (Corporate Director Communities), Mark Broadhurst (Assistant Director of Housing, Leisure and Communities), Councillor Lesley McKay (Resources Portfolio Holder), Councillor Roger Berry (Deputy Leader and Neighbourhood Services and Community Safety Portfolio Holder)</p>
February TBC	Work Programme Workshop 2025/26	<ul style="list-style-type: none"> Workshop to agree topics for review for the 2025/26 Municipal Year <p>Invited attendees: The Corporate Management Team (CMT) and the members of the Overview and Scrutiny Committee.</p>
Monday 24 February at 6pm	Police and Community Safety theme	<ul style="list-style-type: none"> Wyre Community Safety Partnership – annual scrutiny review O&S Work Programme 2024/25 – update <p>Invited attendees: Martin Wyatt (Wyre Neighbourhood Inspector), Neil Greenwood (Assistant Director of Public Protection), and Councillor Roger Berry (Neighbourhood Services and Community Safety Portfolio Holder).</p>
Monday 14 April at 6pm	Work Programme planning and review	<ul style="list-style-type: none"> Scrutiny of the Treasury Management Strategy and Policies – questions and answers O&S Work Programme 2024/25 – update O&S Work Programme 2025/26 – planning

Committee Meetings		
		Invited attendees: (Director of Finance and Governance, Section 151 Officer).

Task Group Reviews		
Current reviews:		
Date	Topic	Status
Paused work:		
Date	Topic	Status
Future review focuses for 2024/25:		
Proposed start date	Topic	Status
2024	Communications review	Pending
2024	Fly-tipping	Pending
2024	Economic Development and Visit Economy Strategy	Pending
Looking further ahead:		
Date	Topic	Status

Updated February 2024

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Appendix 2

16. Call-In of Executive Decisions

- 16.1** When a decision is made by the Cabinet, or an individual member of the Cabinet, or a key decision is made by an Officer with delegated authority from the Cabinet, the decision shall be published, normally within two working days of being made. All members of Council will be sent copies, usually by email, of the records of all such decisions.
- 16.2** That notice will include the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of 5 clear working days after the publication of the decision, unless any four Members of the Council request that it be called in. During that period, the Democratic Services and Scrutiny Manager shall call in a decision for scrutiny by the Overview and Scrutiny Committee, if so requested by any four Members of the Council, and shall then notify the decision-maker of the call-in.
- 16.3** The call-in request shall be submitted on a Call-In Request Form (attached as an Appendix to these procedure Rules), which shall be completed and received by the Democratic Services and Scrutiny Manager, in hard copy or by email, within the timescale specified in paragraph 13.2 above. The Call-In Request Form must include the names of the minimum of four supporters of the call-in, the councillor nominated as the spokesperson, the reasons for the call-in, the issues to be considered by the Overview and Scrutiny Committee and the desired outcomes. Any documents to be referred to at the meeting of the Overview and Scrutiny Committee should where possible be submitted to the Democratic Services and Scrutiny Manager in advance of the meeting.
- 16.4** A meeting of the Overview and Scrutiny Committee will be called after consultation with the Chairman of the Committee, and if possible within ten days of the call-in being received, unless there is a scheduled meeting of the Overview and Scrutiny Committee within a reasonable timescale.

The Call-In meeting

- 16.5** While the call-in meeting is a meeting that is open to the public to attend (unless a resolution is passed excluding the press and public under Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006), there is no provision for public representation or public speaking.
- 16.6** The spokesperson shall be invited to present the reasons for the call in as documented on the call-in form and any suggested actions to be taken by the committee.
- 16.7** The Portfolio Holder shall be invited to respond to the call in by addressing the points raised by the spokesperson as documented on the call-in form.

- 16.8** The members of the Overview and Scrutiny Committee shall be given the opportunity to ask questions of the spokesperson and the Portfolio Holder. The spokesperson and the Portfolio Holder will have the opportunity to make any points of clarification.
- 16.9** When they have done so, the spokesperson and the Portfolio Holder will be informed by the chairman that they will have no further opportunity to make comments or ask questions and they will be asked to vacate their place at the meeting table.
- 16.10** Unless a resolution is passed to exclude the public and press because of the need to avoid the disclosure of exempt or confidential information for one of the reasons specified in Schedule 12A of the Local Government Act 1972 the committee will discuss the call in and decide what action to take in public.
- 16.11** The committee shall either support or not support the call in and shall state reasons for the decision.
- 16.12** If the Overview and Scrutiny Committee has agreed to support the call in it may refer the decision back to the decision making person or body for reconsideration setting out in writing the reasons for the committee's decision based on the evidence presented. The circumstances in which a call in will be reported to the Council and the process to be followed, if that occurs, are set out in the Budget and Policy Framework Procedure Rules. The decision maker shall then reconsider the matter within a further five working days, amending the decision or not, before adopting a final decision. In the case of Cabinet, unless there is a scheduled meeting within a reasonable timescale, an additional meeting of Cabinet will be convened at the earliest opportunity.
- 16.13** If, following consideration of an objection to a decision, the Overview and Scrutiny Committee does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the Overview and Scrutiny meeting.

17. Urgent Decisions

- 17.1** The call-in procedure set out above shall not apply where the decision being taken by the Cabinet or a Portfolio Holder is urgent. See Part 4.02, paragraph 16, General Exception and paragraph 17, special urgency. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interest. The record of the decision, and notice by which it is made public, shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Mayor must agree both that the decision proposed is reasonable in all circumstances and to it being treated as a matter of urgency. In the absence of the Mayor, the Deputy Mayor's consent shall be required. In the absence of both the Mayor and the Deputy Mayor, the Chief Executive's or his/her nominee's consent shall be required. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.

18. The Party Whip

- 18.1** It is generally accepted good practice, that “the party whip” should be suspended in relation to the deliberations of all overview and scrutiny committees.
- 18.2** However, if a member of the Overview and Scrutiny Committee is subject to the party whip on any issue, the member must declare the existence of the whip, and the nature of it, before the commencement of the Committee’s deliberations on the matter. The declaration and the detail of the whip imposed shall be recorded in the Minutes.

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